

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 19, 1999
7:00 P.M.**

1. ROLL CALL

Present: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)

Absent: Council Members – None

Also Present: Deputy City Manager Keeter, Public Works Director Prima, Community Development Director Bartlam, Police Chief Hansen, Fire Chief Kenley, City Attorney Hays and City Clerk Reimche

2. INVOCATION

The invocation was given by Pastor Jim Harvey, Lodi Community Church.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Land.

4. AWARDS / PROCLAMATIONS / PRESENTATIONS

- a) Mayor Land presented the May "Community Improvement Award" to Ken Lung, property owner and proprietor of Lodi Tire Service at 240 North Cherokee Lane for his efforts in improving his property.
- b) Police Chief Hansen presented the 1999 Police Awards to Firefighters Mike Faught and Jeff Spinner. Firefighter Amy Murray was not able to attend the meeting.
- c) Mayor Land presented a proclamation to Peter Knight with A&W Restaurants, Inc., and to members of the Float Committee, celebrating the 80th Anniversary of A&W.
- d) Ashleigh Krueger with the Greater Lodi Area Youth Commission acknowledged the Teen of the Month, Leslie Holmes from Lodi High School, and the Honorary Teen of the Month, Valiree Morris from Tokay High School.
- e) Agenda item #D-3(b) entitled, "Presentation by the Human Services Agency regarding Senior Awareness Day" was pulled from the agenda.
- f) Frank Beeler, Assistant Water/Wastewater Superintendent, and Orson Laam, Water Conservation Officer, made a presentation to the City Council regarding Water Awareness Month in California and presented the City Council with a button advertising the campaign.

5. CONSENT CALENDAR

In accordance with report and recommendation of the City Manager, Council, on motion of Council Member Pennino, Nakanishi second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- a) Claims were approved in the amount of \$2,300,872.49.

- b) The minutes of April 29, 1999 (Joint Meeting with representatives from banks and lending institutions), April 29, 1999 (Adjourned Regular Meeting), April 29, 1999 (Special Meeting), May 5, 1999 (Regular Meeting), May 6, 1999 (Joint Meeting with the Planning Commission and the Site Plan and Architectural Review Committee), and May 12, 1999 (Joint Meeting with the Lodi Association Board of Realtors) were approved as written.
- c) Approved the specifications for bids to meet the Electric Utility Department's requirements for polemount and padmount transformers through the fiscal year ending June 30, 2001 and authorized advertisement for bids.
- d) Approved the specifications for bids for one Protective Relay Test Set and authorized advertisement for bids.
- e) Agenda item #E-5 entitled, "Reimbursement of one standby generator and establishment of a Load Management Program" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
- f) Adopted Resolution No. 99-74 awarding the bid for the purchase of 11 polemount transformers and 14 three-phase padmount transformers to the bidders whose proposals and equipment met City of Lodi specifications, and whose transformers are expected to yield the lowest overall life-cycle costs:

| | | |
|---|------------------------------|--------------------|
| Cooper Power , Waukesha, WI | 3 ea. 37.5KVA Polemounts | \$ 2,101.13 |
| Kuhlman Industries , Versailles, KY | 3 ea. 50KVA Polemounts | \$ 2,447.00 |
| | 5 ea. 37.5KVA CP Polemounts | <u>\$ 4,089.11</u> |
| | | \$ 6,536.11 |
| Howard Industries , Laurel, MS | 2 ea. 150KVA 208Y Padmounts | \$ 8,902.31 |
| | 1 ea. 225KVA 208Y Padmount | <u>\$ 5,306.69</u> |
| | | \$14,209.00 |
| Western States Electric , Portland, OR | 2 ea. 500KVA 208Y Padmounts | \$18,252.85 |
| | 3 ea. 1500KVA 480Y Padmounts | <u>\$51,396.75</u> |
| | | \$69,649.60 |
| Wesco Distribution , San Francisco | 3 ea. 500KVA 480Y Padmounts | \$19,598.65 |
| G E Supply Co. , Sacramento | 1 ea. 300KVA 480Y Padmount | \$ 7,107.19 |
| | 2 ea. 1000KVA 480Y Padmounts | <u>\$30,318.70</u> |
| | | \$37,425.89 |

- g) Adopted Resolution No. 99-75 authorizing the purchase and installation of the Police Department's Integrated Records Management System (RMS) and associated hardware and software from Data 911 in the amount of approximately \$222,000. The remaining \$138,000 will be used to purchase associated computer hardware within the Police Department. These purchases will be accomplished through the normal procurement procedures. The costs will not exceed the \$360,000 previously awarded under the Federal COPS MORE Grant.
- h) Received for information only the Multimodal Station Contract Change Orders totaling \$65,084.34 (or 2.7%).
- i) Approved the agreement for purchase of a neighborhood park site in Bridgetowne, Unit No. 1 (Bozant "Bo" Katzakian Park) which repeals and supercedes the previous agreement recorded as Instrument No. 96118935, directed the City Manager and City Clerk to execute the agreement on behalf of the City, and authorized the transfer/allocation of funds in accordance with the terms of the agreement.

Continued May 19, 1999

- j) Authorized the City Manager to execute an agreement with Lodi Unified School District (LUSD) for land exchange and street improvements for the future joint school/park site at Thayer Ranch subdivision.
 - k) Agenda item #E-11 entitled, "Approve employee assistance renewal agreement with Options" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
 - l) Agenda item #E-12 entitled, "Authorize City Manager to utilize the financial management services of Public Financial Management, Inc." was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
 - m) Adopted Resolution No. 99-77 approving a Public Benefits Program expenditure in an amount not to exceed \$42,000. The funds will be utilized for a detailed energy assessment, or "Comprehensive Engineered Analysis", on designated City of Lodi public buildings and other public facilities. The report is to be prepared by Energy Masters International, Inc. (EMI).
 - n) Adopted Resolution No. 99-78 approving a Public Benefits Program grant in the amount of \$125,000 to fund the Lodi Small Business Energy Services Partnership, a demand-side management/energy efficiency project for G-1 electric rate customers.
 - o) Authorized the Purchasing Officer to negotiate with Sulzer USA, Inc., for the purchase of a used compressed natural gas (CNG) dryer and skid enclosure.
 - p) Agenda item #E-16 entitled, "Purchase of one police motorcycle for the Police Department" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
 - q) Authorized the City to join the amicus brief in the case of Haggis v. City of Los Angeles.
 - q) Set Public Hearing for June 2, 1999 to consider refuse rate adjustment application from Central Valley Waste Services, Inc.
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6. ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- a) Agenda item #E-5 entitled, "Reimbursement of one standby generator and establishment of a Load Management Program". **Due to a conflict of interest in this matter, Council Member Mann abstained from discussion and voting on this matter.**

Electric Services Manager Grandi presented the following report.

While working to improve service reliability, the City of Lodi Electric Utility also investigates possible new services that could be offered to customers. The project described herein accomplishes both of these goals.

The Bank of Lodi, a Lodi-headquartered commercial/industrial electric customer, has experienced several power interruptions in the recent past that have halted operations both locally and at branch offices. The Bank of Lodi utilizes nearly 680,000 kwh annually at their 701 South Ham Lane facility. The number of outages experienced is in excess of acceptable reliability criteria for a commercial enterprise. The Department has taken a number of actions to remedy the existing reliability issue. These actions have, to date, proven ineffective.

The customer and the Department have investigated possible options to this problem. The Department estimates that upgrading the portion of the electric distribution system serving the Bank of Lodi at this time could cost up to \$150,000, require rescheduling the Department's extensive distribution and lighting systems improvements in addition to requiring planned outages of the customer's electric service in order to perform the work and additional excavation and roadwork at a busy intersection. Another option is to install a standby (emergency) generator. The customer has determined that such an arrangement would be acceptable. The total project cost to the Department is \$75,000.

The Department recommended an arrangement with the Bank of Lodi whereby the City would reimburse the customer up to \$75,000 in funds for the purchase and installation of the generator. The customer would be responsible for providing the necessary space and maintenance of the generator at its expense. The City and the customer will work together to develop a procedure by which the Electric Utility Dispatch Center would call upon the generator for load support under certain conditions. This arrangement would:

- Save the City up to \$75,000 in construction costs;
- Establish a pilot "load management" program to evaluate additional electric services and improved practices in order to maintain a competitive edge in a deregulated electric market. Load management provides staff with additional system control for load control, voltage support, and relieves system capacity needs;
- Avoid vehicular and pedestrian traffic interruptions caused by construction;
- Avoid prolonged service interruptions for the customer and others on the affected circuit; and
- Improve Bank of Lodi electric reliability in excess of that which could otherwise have been obtained by the City.

The Electric Utility Department believes that in a competitive environment, it is essential to meet and exceed customer needs. By providing an alternate source of power for a customer experiencing a service reliability issue, the generator serves as an important tool for ensuring customer satisfaction, while addressing an immediate need for energy in the event of an outage.

Following discussion, the City Council, on motion of Mayor Land, Hitchcock second, adopted Resolution No. 99-73 approving the reimbursement of one standby generator and authorized the development of a Load Management Program with a moratorium until October 1, 1999, on future such requests, enabling staff to review this pilot program by the following vote:

Ayes: Council Members – Hitchcock, Nakanishi, Pennino and Land (Mayor)
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Mann

- b) Agenda item #E-11 entitled, "Approve employee assistance renewal agreement with Options".

In her Council Communication, Human Resources Director Narloch reported that the City provides an employee assistance program as a benefit to employees (EAP). This program provides confidential and professional assistance to City employees and their families to help resolve problems affecting personal life or job performance.

The City wishes to renew its current contract with Options to provide this service. The renewal agreement will cover a period of two years with no change in the annual cost.

Following discussion and the request to add to the contract the cost for additional part-time employee services, the City Council, on motion of Council Member Hitchcock, Pennino second, unanimously adopted Resolution No. 99-76 approving the employee assistance renewal agreement with Options.

- c) Agenda item #E-12 entitled, "Authorize City Manager to utilize the financial management services of Public Financial Management, Inc.".

Deputy City Manager Keeter informed the City Council that over the course of the past 12 months, City staff members have interviewed seven financial management consultants to serve as the City's potential Financial Advisor. The City is now in the process of evaluating many projects which will likely entail various forms of financing and, is therefore, in particular need of financial advise. Such projects include refinancing the electric utility distribution system, construction of a downtown parking structure, renovation of the public safety building, and the possibility of an indoor sports facility. In addition, the City periodically needs an unbiased third party evaluation of financial opportunities for such projects as the PCE/TCE clean up and the ongoing litigation.

Based upon Public Financial Management, Inc.'s (PFM) experience with cities and counties throughout California, and in particular their experience with public power agencies, it was recommended that PFM be utilized as the City's Financial Advisor, for such matters as project financings, refinancing, and long-range financial planning. Moreover, PFM does not trade, sell or underwrite any municipal securities and therefore does not co-mingle banking and financial advisory work.

Following discussion, the City Council, on motion of Council Member Hitchcock, Nakanishi second, unanimously authorized the City Manager to utilize the services of Public Financial Management, Inc. as the City's Financial Advisor for new financings, refinancings, long-term financial planning, and on an as-needed basis.

- d) Agenda item #E-16 entitled, "Purchase of one police motorcycle for the Police Department".

Police Chief Hansen presented the following report.

Currently, the Lodi Police Department has a three-person motorcycle unit and they all ride Harley Davidson Motorcycles. We also have two old motorcycles that our officers have maintained on their own time that are used for training and special events. Due to the age of these two remaining motorcycles, it is felt that the purchase of a new one is necessary. When we have special projects, all five of the police motorcycles are used extensively.

The funding for this additional motorcycle will come from the Auto Theft Enhancement Account. The motorcycle maintenance is handled off-site and should not impact the City Vehicle Maintenance Shop. It was further clarified that the cost of the motorcycle included necessary safety equipment.

Following discussion regarding the matter, the City Council, on motion of Council Member Pennino, Hitchcock second, unanimously adopted Resolution No. 99-79 authorizing the Lodi Police Department to purchase an additional Harley Davidson Police Motorcycle and equipment to be used in special events and traffic enforcement projects.

7. PUBLIC HEARINGS

- a) Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Land called for the Public Hearing to consider revision of the existing massage ordinance and applicable fee schedule.

Police Chief Hansen informed the City Council that in May and June of 1998, the Street Crimes Unit conducted inspections of certain massage establishments and found strong indications that these businesses were serving as a front for prostitution.

These investigations revealed that the existing Ordinance does not give us the tools we need to insure that massage establishments conduct themselves in a legitimate fashion. In addition, we found that the amount of time we spend processing the background investigations far exceeds the present fee structure.

Police Chief Hansen provided an extensive review of the proposed amendments to the ordinance and the new fee structure.

Hearing Opened to the Public

1. Roberta Dodi Baker, proprietor of Touching for Health in the Lincoln Center, Stockton, expressed concern that the legitimate businesses must pay for those who abuse the law. In addition, the proposed fee is higher than the County's fee of \$165. Ms. Baker requested that members of the massage community meet with the Police Department in putting together a reasonable ordinance.
2. James Leonard, 315 West Pine Street #2, Lodi, echoed the concerns of Ms. Baker. Mr. Leonard is concerned about the posting of hours and the invasion of privacy issue. He works alone and has only two rooms: the waiting room and the massage room.
3. Tracy Graves, 10898 East Jahant Road, Lodi, questioned several of the elements in the proposed massage ordinance, especially the requirement for a licensed massage technician.
4. Linda Gooden, 1826 West Kettleman Lane, Lodi, also expressed concerns about the proposed ordinance and that legitimate massage businesses are looked down upon.
5. Tracy Young, 215 West Oak Street, Lodi, spoke in support of Ms. Baker's suggestion of having a committee made up of members from the Police Department and members from the massage community working together to propose a new ordinance.
6. Jeannie Olm, 315 West Pine Street, #7, Lodi, suggested flagging illegal businesses and posting pictures of the prostitutes, along with the addresses. Police Chief Hansen indicated that the information from the sting operations are public record; however, it is up to the press to choose how they utilize that information.
7. Jan Yancy, 103 West Pine Street, Lodi, expressed her opinion that massage technicians are being discriminated against and that the high fees will force people to work out of their homes without the proper licenses.
8. Barbara Freeman, 315 West Pine Street, Lodi, suggested that legitimate businesses who have gone through the investigation process and have no problems or complaints be able to move their business location and simply transfer their license, instead of going through the entire process again.
9. Tony Trassare, representing the Chamber of Commerce, 1613 West Elm Street, Lodi, voiced concerns about the proposed fees and the invasion of privacy. Police should be given permission to enter the premises and review personal records by a search warrant and not by the ordinance. Proposals such as this should come before the community for its input before it comes before the City Council.

10. Bob Johnson, 1311 Midvale Road, Lodi, also agreed that a meeting with the massage owners and technicians is a good idea. This ordinance appears quite intrusive on businesses and on the disclosure of unrelated business interests.
11. Michelle Okowski, 401 West Pine Street, Lodi, complained that this ordinance makes her feel like a prostitute and that every massage business is not reputable. The dress code, investigation and fees are excessive.
12. Suzanne Bartholamew, 401 West Pine Street, Lodi, shared her appreciation to the Police Chief for his addressing this problem. Most of the ordinance seems to be agreeable; however, she has not had the opportunity to view all of it. Ms. Bartholamew agrees with the suggestion that the massage community review the proposed ordinance and provide suggestions and input on making this a reasonable law.
13. Bill Rovet, 1556 Iris Drive, Lodi, also expressed his concerns with the ordinance and the requirements for background investigations and disclosure of medical information.

Public Portion of Hearing Closed

ACTION:

Following discussion, the City Council, on motion of Council Member Pennino, Land second, unanimously tabled this matter to a date uncertain in order to proceed with due diligence so that the Police Chief and representatives of the licensed massage therapist community can confer and return with an agreed-upon ordinance.

8. **COMMUNICATIONS (CITY CLERK)**

- a) The City Council, on motion of Mayor Land, Nakanishi second, unanimously directed the City Clerk to post for the following vacancies:

East Side Improvement Committee

| | |
|-----------------|------------------------------|
| Virginia Snyder | Term to expire March 1, 2000 |
| Dawn Squires | Term to expire March 1, 2001 |
| Camille Green | Term to expire March 1, 2002 |

- b) The City Council, on motion of Council Member Pennino, Mann second, unanimously made the following appointment:

San Joaquin County Solid Waste Management Task Force

Council Member Alan Nakanishi

9. **REGULAR CALENDAR**

None.

10. **ORDINANCES**

None.

11. **COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS**

- a) Community Improvement Manager Wood informed the public that Spring Clean Up Week will be May 25 – 28, 1999. During this week, Central Valley Waste Services will be doing curbside pick up. Residents may leave up to six containers of discarded items. Volunteers have been arranged to assist the elderly in getting their items to the curb. Should anyone have questions or need assistance, call the Community Improvement Division at 333-6823.

12. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- a) Council Member Nakanishi reported that at the July 9, 1999 East San Joaquin Parties Water Authority meeting, the Authority will discuss its 1999-2000 budget. Mr. Nakanishi will be asking that it support Lodi's Beckman Project.
- b) Council Member Hitchcock reported that she attended the Public Works breakfast this morning and she enjoyed flipping pancakes and getting together with the employees.

13. CLOSED SESSION

Mayor Land adjourned the City Council meeting to a Closed Session to discuss the following matters:

- a) Actual litigation: Government Code §54956.9(a). One case. Fireman's Fund Insurance Company v. City of Lodi, et al., United States District Court, Eastern District of California Case No. CIV-S-98-1489 LKK PAN **This matter was not discussed.**
- b) Prospective lease of City property (400± acres adjacent to White Slough Water Pollution Control Facility); the negotiating parties are ProStyle Sports and the City of Lodi. Price and terms are under negotiation
- c) Threatened litigation: Government Code §54956.9(b). One case. Potential suit by Olga Silva against City of Lodi based on vehicle accident
- d) Conference with labor negotiator, Human Resources Director Joanne Narloch, regarding Lodi Police Officers' Association (LPOA) pursuant to Government Code §54957.6 **This matter was not discussed.**

14. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

The City Council meeting reconvened at approximately 11:15 p.m., and Mayor Land disclosed that there were no final actions taken in these matters.

15. ADJOURNMENT

There being no further business to come before the City Council, Mayor Land adjourned the meeting at approximately 11:15 p.m.

ATTEST:

Alice M. Reimche
City Clerk